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AIR

OWPM-7601

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Senior Representative,

Director of Logistics

Administrative

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Insurance Claim of

25X1A

REFERENCE:

1. Unless conditions not indicated in reference are present, the subject claim of approximately  representing one year's premium for fire insurance is denied, because insurance is not one of the authorized expenses relating to KUBARK-provided quarters for which KUBARK normally assumes responsibility (See Paragraph 10, AFR 45-1050).

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2. KUBARK may permit the acquisition of fire insurance in special cases wherein justification of an operational nature exists. For example, KUBARK would probably authorize the necessary expenditures for insurance if necessary to prevent an employee from standing out conspicuously in his cover group; or insurance might be authorized if same would forestall embarrassing investigations of personnel and quarters in cases of fire damages. But insurance may not be authorized merely to prevent possible loss or expenses of suit.

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3. If, upon considering the above, the Station feels that  claim is justified, the Station should forward suitable justification to Headquarters so that the matter may then be reconsidered in the light of the additional data.

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General Counsel 7/1/76

Chief, WE

Chief, Real Est. & Constr. Div.

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4. In answer to your question in Paragraph 4 of reference, KUBARK, as the actual lessee, would underwrite necessary expenses of a suit provided, of course, the occupant followed instructions relative thereto given him by the Senior Representative.

5. The Station's attention is directed to Paragraph 3, AFM 45-1400 wherein it is stated that "Any employee occupying living quarters provided by this Organization is responsible for the protection of the assigned premises and Organization-owned furniture and equipment during his term of occupancy and shall be required to pay for any loss or damage to the premises and furnishings due to waste, neglect, or improper usage." Accordingly, any loss or damage to KUBARK property caused by fire would render an employee liable if the fire was caused by the employee's negligence. Such negligence would be determined in accordance with normal CBYOK concepts and without regard to the findings of any [redacted]

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*fa* [redacted] *3/2/55*

28 March 1955

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REAC/OL/[redacted]/njh  
Distribution:

Orig. & 2 - Addressee

REAC - 2

[redacted] - 1 25X1A

WE/LOG - 1

Chief, WE - 1

Dir/OL - 3

General Counsel - (1)

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